Statement

Efforts were made in the past few months to revive the debate on restructuring of Department of Telecom including the option of corporatisation with a view to take a decision in the matter. Meetings were held with the representatives of staff union/officer's Associations. The National Federation of Telecom Employees and the Federation of National Telecom Organisation initially indicated that the proposed restructuring (by way of corporatisation) may be effected through an Act of Parliament thereby creating a statutory corporation which would obviate such problems as immediate payment of retirement benefits, hike in staff wages, payment of retirement benefits, payment of taxes and the apprehension of staff that there would be eventually privatisation. It was also indicated that the financial viability of the corporation and also service conditions of the employees needs to be looked into. The Bharitiya Telecom Employees Federation indicated that they are not in favour of corporatisation on the ground that, as a business oriented unit, the corporation may not be inclined to carry out social obligation. Similarly, All India Telecom Employees Union Class III (Namboodiri) was also not in favour of corporatisation.

Divergent views have been expressed by different service Associations/Unions with regard to the corporatisation of DOT. The Indian Telecommunications Service Associations (ITSA) was of the view that there is no need to corporatise the operating wing of DOT as these functions can be performed satisfactorily within the governmental set-up.

The proposal to convert the operating arm of Department of Telecommunications (DOT) into a corporation has been under consideration. However, at this stage, the objective is proposed to be achieved by setting up a Telecom Services Board to manage the service operations of DOT.'

**Telephone Tariff**

539. SHRI RAHASBIHARI BARIK: Will the PRIME MINISTER be pleased to state:

(a) whether Government propose to increase the tariff of telephones;

(b) if so, the details thereof;

(c) whether Government have received any objections on the above proposals; and

(d) if so, the details thereof and the action taken by Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI KABINDRA PURKAYASTHA): (a) and (b) The TRAI formed under the TRAI Act, 1997 has been entrusted with the function of fixing tariffs of various telecom services. The TRAI has brought out a consultation paper on telecom pricing suggesting interalia increase in rental and reduction in long distance tariff to rebalance the tariff. The proposal of TRAI summarised at Annexure (*See* Appendix 185, Annexure No. 13] are at present being discussed by TRAI with Service Providers, Consumer organisations and the general public, etc. to elicit their response.

(c) and (d) After circulation by TRAI of their consultation paper representations from some individual consumers and consumer organisations have been received pleading for reduction in rental. These have been forwarded to TRAI for appropriate action.

**Unpaid Bills of DOT and MTNL**

540. KUMARI NIRMALA DESHPANDE: Will the PRIME MINISTER be pleased to state:

(a) whether it is a fact that unpaid bills of the Department of Telecommunication (DOT) and Mahanagar Telephone Nigam